

Highlights of GAO-06-170T, a testimony before the Committee on Government Reform, House of Representatives

## Why GAO Did This Study

Since September 2001, the National Guard has experienced the largest activation of its members since World War II. Currently, over 30 percent of the Army forces now in Iraq are Army National Guard members, and Guard forces have also carried out various homeland security and large-scale disaster response roles. However, continued heavy use of the Guard forces has raised concerns about whether it can successfully perform and sustain both missions over time. In the short term, the National Guard is seeking additional funding for emergency equipment. GAO was asked to comment on (1) the changing role of the Army National Guard, (2) whether the Army National Guard has the equipment it needs to sustain federal and state missions, and (3) the extent to which DOD has strategies and plans to improve the Army National Guard's business model for the future.

### What GAO Recommends

For this statement, GAO drew on previous work, primarily on a report titled: Reserve Forces: Plans Needed to Improve Army Guard Equipment Readiness and Better Integrate Guard into Army Transformation Initiatives (GAO-06-111). In this report, GAO makes recommendations intended to improve the structure and readiness of the Army National Guard for overseas and homeland operations. DOD agreed with the recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-06-170T.

To view the full product, click on the link above. For more information, contact Janet St. Laurent at (202) 512-4402 or stlaurentj@gao.gov.

# RESERVE FORCES

# Army National Guard's Role, Organization, and Equipment Need to Be Reexamined

#### What GAO Found

The heavy reliance on National Guard forces for overseas and homeland missions since September 2001 has resulted in readiness problems which suggest that the current business model for the Army National Guard is not sustainable over time. Therefore, the business model should be reexamined in light of the current and expected national security environment, homeland security needs, and fiscal challenges the nation faces in the 21<sup>st</sup> century. Under post-Cold War planning assumptions, the Army National Guard was organized as a strategic reserve to be used primarily in the later stages of a conflict after receiving additional personnel, equipment and training. Therefore, in peacetime Army National Guard units did not have all the equipment and personnel they would need to perform their wartime missions. However, over 70,000 Guard personnel are now deployed for federal missions, with thousands more activated to respond to recent natural disasters. To provide ready forces, the Guard transferred large numbers of personnel and equipment among units, thereby exacerbating existing personnel and equipment shortages of non-deployed units. As a result, the preparedness of non-deployed units for future missions is declining.

The need to reexamine the business model for the Army National Guard is illustrated by growing equipment shortages. As of July 2005, the Army National Guard had transferred over 101,000 equipment items to units deploying overseas, exhausting its inventory of some critical items, such as radios and generators, in non-deployed units. Nondeployed Guard units now face significant equipment shortfalls because: (1) prior to 2001, most Army National Guard units were equipped with 65 to 79 percent of their required war-time items and (2) Guard units returning from overseas operations have left equipment, such as radios and trucks for follow-on forces. The Army National Guard estimates that its units left over 64,000 items valued at over \$1.2 billion overseas. However, the Army cannot account for over half of these items and does not have a plan to replace them, as DOD policy requires. Nondeployed Guard units now have only about one-third of the equipment they need for their overseas missions, which hampers their ability to prepare for future missions and conduct domestic operations. Without a plan and funding strategy that addresses the Guard's equipment needs for all its missions, DOD and Congress do not have assurance that the Army has an affordable plan to improve the Guard's equipment readiness.

DOD is taking some steps to adapt to the new security environment and balance the Army National Guard's overseas and homeland missions. For example, the Army has embarked on reorganization to a modular, rotational force. Also, DOD issued a strategy for homeland defense and civil support in June 2005. However, until DOD develops an equipping plan and funding strategy to implement its initiatives, Congress and DOD will not have assurance that these changes will create a new business model that can sustain the Army National Guard affordably and effectively for the full range of its future missions.